



Testimony to the Aging Committee

Presented by Mag Morelli, President, LeadingAge Connecticut

March 4, 2014

Regarding

- **SB 244, An Act Increasing Home Care Provider Rates**
- **HB 5300, An Act Concerning Nursing Home Notifications**
- **HB 5395, An Act Concerning Aging in Place**

Good morning Senator Ayala, Representative Serra, and members of the Aging Committee. My name is Mag Morelli and I am the President of LeadingAge Connecticut, a membership organization representing over 130 mission-driven and not-for-profit provider organizations serving older adults across the continuum of long term care, services and supports and including senior housing.

On behalf of LeadingAge Connecticut, I would like to testify on three of the bills that are before you today and offer the Committee our assistance as you consider these various issues.

Senate Bill 244, An Act Increasing Home Care Provider Rates

I am pleased to be joined at today's hearing by several of my colleagues from other statewide organizations who have all come to testify in support of Senate Bill 244, An Act Increasing Home Care Provider Rates. We have been working together to raise awareness of the need to invest in the community based provider network that is caring for the older adults enrolled in the Connecticut Home Care Program for Elders and I want to thank you for raising this bill which addresses this need.

LeadingAge Connecticut supports the state's rebalancing effort and we would like to see it succeed. However, a balanced system of long term services and supports cannot be achieved without a strong network of quality home and community based providers of aging services. Unfortunately we do not believe that the state has invested the time or resources necessary to build that network. To do so will require an investment in the Connecticut Home Care Program for Elders (CHCPE) rate schedule.

The Connecticut Home Care Program for Elders is the heart and soul of our state's rebalancing plan when it comes to aging services. It is this program that helps eligible clients over the age of 65 continue to live at home and to age in place. It is the delivery of the services provided within the Home Care Program for Elders, packaged in an individualized care plan for each client, that allows an older adult to remain at home or to return to home through the Money Follows the Person Program.

That is why it is vital that we invest in this program and in the providers who deliver the services.

To be eligible, applicants must be 65 years of age or older, be at risk of nursing home placement and meet the program's stringent financial eligibility criteria. To be at risk of nursing home placement means that the applicant needs assistance with critical needs such as bathing, dressing, eating, taking medications, and toileting.

CHCPE Services may include:

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| -Conflict Care Management Services | -Adult Day Health Services |
| -Companion Services | -Home Delivered Meals |
| -Homemaker Services | -Assisted Living Services |
| -Personal Care Attendant Services | -Chore Assistance |
| -Adult Family Living (new service) | -Home Health Nursing |
| -Emergency Response Systems | -Home Health Nursing Aides |

Most providers in the CHCPE have not received a rate increase in years. 2005 for assisted living service providers, 2007 for home delivered meals, and 2011 for adult day services. Many cannot continue to provide services at this level of reimbursement. That is why we are urging the state to move quickly to assist the community provider network that currently serves the CHCPE clients and to strengthen the program by fostering the development of an expanded network of home and community based providers so as to ensure a successful rebalancing effort.

We strongly support this bill which would bring an immediate 2% increase in the provider rates, require the development of a plan for the next biennial budget to bring the rates up to adequate levels based on the cost of providing the care, and require an annual indexing of the rates thereafter. This proposal will immediately help those providers currently serving CHCPE clients and will foster future planning and action steps to ensure the continued development of a strong community based network of services for our aging adults.

In closing, we urge the Committee to support this bill which will initiate a plan to increase and sustain reimbursement rates within the Connecticut Home Care Program

for Elders so as to develop and support a network of quality aging services providers in the community. Without adequate reimbursement rates, new quality providers will not enter the home and community based services market, long standing quality providers will be forced to leave the market, and the state will not achieve a balanced system of long term care, services and supports.

House Bill 5395, An Act Concerning Aging In Place

LeadingAge Connecticut is pleased to support this bill which will continue the state's multifaceted efforts to develop a balanced system of long term services and supports. While most of us would choose to stay at home as we age, the ability to do so is not always available. The array of needs is varied and requires a wide network of community resources and services. This bill proposes to provide some of those additional resources for individuals and for enlightened communities that are working to meet the needs of their aging residents. We strongly encourage your support of this proposal.

HB 5300, An Act Concerning Nursing Home Notifications

LeadingAge Connecticut has no objection to this proposed bill as it is written. The proposed bill reflects the language that was agreed upon between LeadingAge Connecticut and other interested parties in the previous legislative session and we appreciate the Committee's recognition of that agreement.

Thank you for this opportunity to testify and I would be happy to answer any questions.

Mag Morelli, President



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LeadingAge Connecticut is a membership organization representing over 130 mission-driven and not-for-profit provider organizations serving older adults across the continuum of care including nursing homes, residential care homes, housing for the elderly, continuing care retirement communities, adult day centers, home care and assisted living agencies. By continuing a tradition of mission-driven, consumer-centered management and competent, hands-on care, not-for-profits set the standard in the continuum of housing, care and services for the most vulnerable aging adults.

Connecticut Home Care Program for Elders

The Connecticut Home Care Program for Elders (CHCPE) helps eligible clients continue living at home instead of going to a nursing home. It is the delivery of services and supports within the CHCPE, packaged in an individualized care plan for each client, which allows an elderly person to remain at home or to return to home through the Money Follows the Person Program.

This program is the heart and soul of our state's rebalancing plan. That is why it is vital that we invest in the program and in the providers who deliver the services. The providers of services and supports within the CHCPE urge your support of a rate increase and annual indexing of the rate schedule so that we can expand and develop the quality community-based network of long term services and supports that our rebalanced system and our older adults need.

Connecticut Home Care Program for Elders: Sample of Rates vs. Costs

Home Care Visit	CHCPE Rate	Cost*	Loss
Registered Nurse	\$94.26	\$111.47	-\$17.21 per hour
Physical Therapy	80.49	105.19	-24.70 per hour
Home Health Aide	28.00	36.59	-8.59 per visit
Homemaker	4.08	4.63	-.55 per ¼ hour (\$2.20 per hour)

Adult Day Center Care	CHCPE Rate	Cost	Loss
Full day, medical model with door-to-door transportation	\$70.22	\$85.00	-\$14.78 per day

Meals on Wheels	CHCPE Rate	Cost	Loss
2 meal delivery to the door	\$8.76	\$9.99 (\$10.57 rural, \$9.53 city)	-\$ 1.23 per 2 meal delivery

Assisted Living Services

CHCPE rates are as follows:

- Level One (Occasional): \$23.78/day or \$723.31/month (1-4 hrs/week)
- Level Two (Limited): \$39.17/day or \$1191.42/month (4-9 hrs/week)
- Level Three (Moderate): \$55.16/day or \$1677.78/month (9-15 hrs/week)
- Level Four (Extensive): \$71.02/day or \$2160.19/month (15-25 hrs/week)
- Core Services: \$4.37/day or \$132.92/month

Service hours per level include assisted living aide and nursing care

There are three main providers of assisted living services in this program. The predominant provider reports a **loss of \$11,337 per month on just the Core Services alone** and reports that they have not been able to give a wage increase for three years, resulting in the loss of 20-30 quality direct care workers each year.

**Note: The reported costs are based on an estimated average cost for providers. Individual provider costs will vary and home care visit rate costs are reported without the additional agency overhead costs.*

A balanced system of long term services and supports cannot be achieved without a strong network of quality home and community based providers of aging services.